

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES  
BY DEPUTY G.P. SOUTHERN OF ST. HELIER  
ANSWER TO BE TABLED ON TUESDAY 14th APRIL 2015**

**Question**

Will the Minister provide a breakdown of the income tax paid for 2013 by business sector from all trades except financial services, as his predecessor did in March 2011 in relation to the tax paid in 2009?

Will he further inform members of the breakdown of income tax (company tax) paid by the 5 branches of the financial services sector in 2013 for comparison purposes?

Will he also explain how income tax on partnerships and sole traders is presented in States of Jersey accounts of personal/company tax revenues?

**Answer**

*Will the Minister provide a breakdown of the income tax paid for 2013 by business sector from all trades except financial services, as his predecessor did in March 2011 in relation to the tax paid in 2009?*

It is understood that the Deputy is referring to the answer provided by the former Assistant Minister for Treasury and Resources to the Deputy's oral question raised in the States Assembly on 29 March 2011.

The equivalent figures to those provided in respect of the 2013 year of assessment are as follows:-

<b>Business Sector</b>	<b>Income Tax Assessed* £m</b>
Agriculture and Horticulture	2.7
Fishing	0.3
Manufacturing	0.2
Construction and Quarrying	5.9
Wholesale and Retail Distribution	3.2
Hotels/Guest Houses/Public Houses/Restaurants	2.0
Transport and Communications	2.4
Real Estate Fee Income	0.4
Health and Social	4.5
Other Business Services	16.9
Other Community Services	12.9
<b>Total</b>	<b>51.4</b>

Notes:-

1. The figure for tax assessed for the year of assessment 2013 and collected in 2014 are provisional and subject to audit.
2. For the avoidance of doubt the table above includes income tax assessed in respect of the legal and accountancy professions. This is consistent with the information provided by the previous Assistant Treasury Minister when providing the figures for 2009.

*Will he further inform members of the breakdown of income tax (company tax) paid by the 5 branches of the financial services sector in 2013 for comparison purposes?*

It is understood that the Deputy is referring to his written question (6163) tabled in the States Assembly on 29 March 2011 when he refers to the 5 branches of the financial services sector. In his question the five branches were shown as:-

Banking  
Trust and Company Administration  
Fund Management  
Legal  
Accountancy

It is further understood that the Deputy is seeking information on company income tax paid in respect of these 5 branches. As the Deputy will be aware the Income Tax Law is very specific in its definition of a Financial Services Company. If a company falls within that strict definition it will pay tax on its business profits at 10%. Otherwise it will pay tax on its business profits at 0%. Based on the broad definition of the 5 branches above, only companies in the first two branches would be subject to tax at 10% on their business profits. The remainder would be taxed at 0% where the activities are undertaken in a company.

Based on information extracted by the Taxes Office in December 2014 for year of assessment 2013 an indicative breakdown of company tax paid by financial services companies within the definition of the Income Tax Law is as follows:-

<b>Financial Services Company - Activity</b>	<b>Income Tax Assessed*</b> <b>£m</b>
Banking	42
Trust and Company Administration	8
Fund Services	3
Other Investment Services	9
<b>Total</b>	<b>62</b>

*Will he also explain how income tax on partnerships and sole traders is presented in States of Jersey accounts of personal/company tax revenues?*

There is no specific breakdown of income tax derived from partnerships and sole traders in the States of Jersey accounts. If the Deputy were to refer to the States Financial Report and Accounts 2013 these sources of revenue are included in the income from "Personal" tax shown on page 144. In the Annex to the Financial Report and Accounts 2013 these sources are included under "Individuals" tax shown on page 186.